



CITY OF NEW ORLEANS

ReqtoCheckSTAT

Reporting Period: Quarters 3 and 4, 2014

Office of Performance & Accountability www.nola.gov/opa



ReqtoCheckSTAT January 29, 2015

Context

In order to deliver critical services for its citizens—such as constructing roads, rehabilitating homes, or picking up trash—the City often engages with private companies with specialized expertise. Because these and other services are so critical, Mayor Landrieu has made it a priority for vendors to be selected fairly, for contracts to be negotiated expeditiously and in the best interests of New Orleanians, and for vendors to be paid in a timely manner.

What is ReqtoCheckStat?

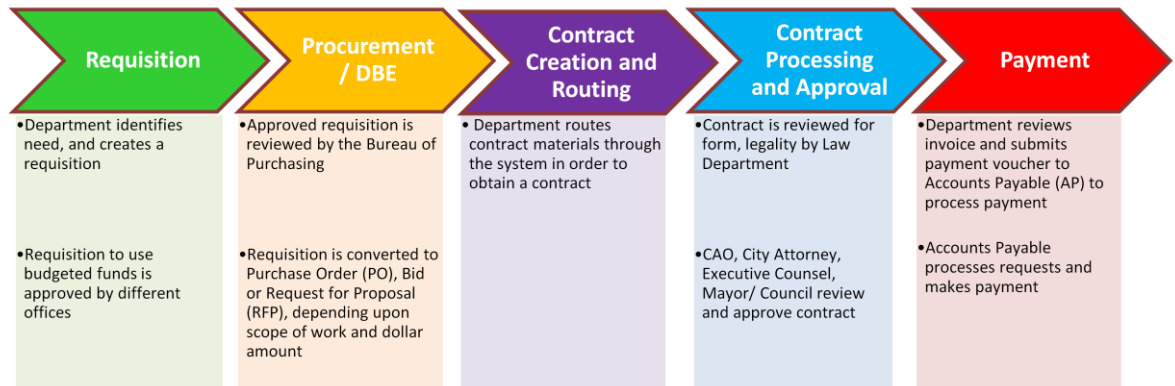
In order to improve the performance, accountability, and transparency of the City's contracting system, Mayor Landrieu asked the Office of Performance and Accountability to design a performance management program for the entire process of contracting out services—from the requisition of budgeted funds to the issuance of check for services rendered. The result is ReqtoCheckStat, a performance management system where key City officials review data to assess how the City is meeting its goals and to hold departments accountable for their results. ReqtoCheckStat, which takes place quarterly, are working meetings, intended to provoke constructive dialogue on what is working, what is not, and what the City needs to do to improve.

Can I participate?

These meetings are open to the public. Members of the public are invited to submit questions, which will be addressed by City officials.



Procurement Process Overview*



*See a more detailed process map on slide 31



ReqtoCheckSTAT January 29, 2015

3

Responsible Organization:
Office of Information
Technology & Information (ITI)

Data Source:
ITI

Related Strategy:
Manage the City's information
and analyze the City's data.

Definitions:
Severity 1 Outage: The
complete loss of a core
organizational or business
tool/infrastructure that does
not allow work to reasonably
continue.

There were no procurement system outages in the second half of 2014.

Procurement and Contracting Related IT Systems : Systems Availability
(Days of Severity 1 Outages)

System	Q1 2014		Q2 2014		Q3 2014		Q4 2014	
	Server	App.	Server	App.	Server	App.	Server	App.
BuySpeed - General Fund and Agencies (Procurement/Bids/RFPs)	0	1	0	0	0	0	0	0
ECMS - Contract Routing	0	0	0	0	0	0	0	0
AFIN - Capital and Grants (Procurement/Payments)	0	0	0	0	0	0	0	0
Great Plains - General Fund and Agencies (Payments)	0	2	0	0.5	0	0	0	0



Requisition

Procurement
/ DBE

Contract
Creation and
Routing

Contract
Processing
and Approval

Payment

Requisition Approval

- Requisition Approved and Processed per Period
- Requisition Approval Queue by Approval Level
- Approval Time of Requisitions

Responsible Parties	Action Item	Status
M. Kleinpeter	Review org chart and put together plan for hiring additional purchasing staff.	
F. Alexander; M. Kleinpeter	Automate purchase order approvals for general fund requisitions with small dollar amounts.	ITI to work on taking the Purchasing Bureau's Buyers out of the applicable PO queues.



Responsible Organizations:
Budget Office;
Finance Department

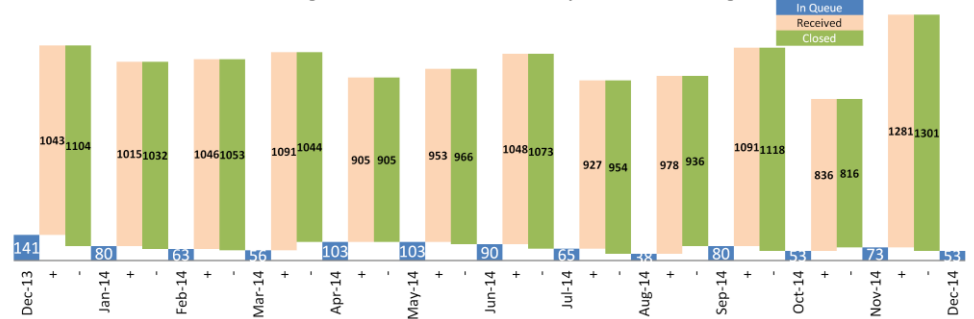
Data Source:
BuySpeed

Related Strategy:
Manage vendor relationships
and provide oversight of City
contracts.

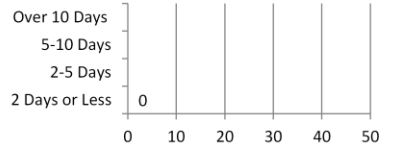
Definition:
Requisition: A request to
procure goods, supplies,
equipment, and services, as
well as the authority to commit
funds to cover the purchase.

Budget and Finance closed out 2014 with a record 1301 requisitions processed in December; the end of year queue was at 53.

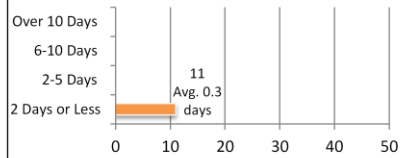
Budget/Finance General Fund Requisition Processing



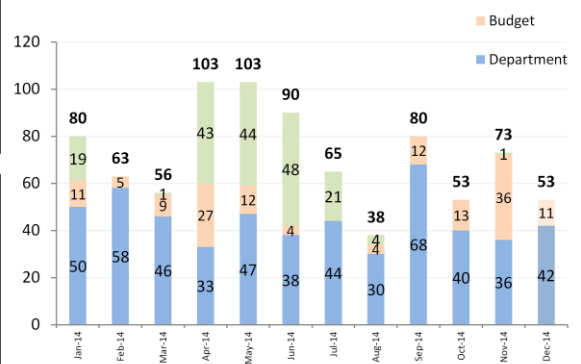
Age of Requisitions in Finance Office - 0 in Queue



Age of Requisitions in Budget Office - 11 in Queue



Requisitions in Queue to be Approved



Responsible Organizations:
Budget Office;
Finance Department

Data Source:
BuySpeed

Related Strategy:
Manage vendor relationships
and provide oversight of City
contracts

Notes:

2011 information only
available from May to
December.

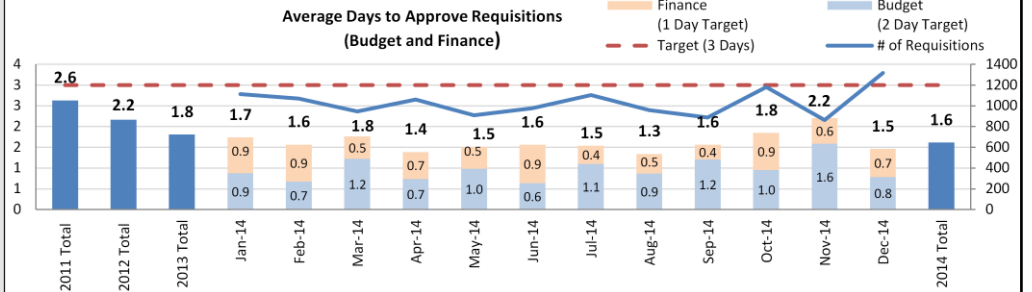
Distributions subject to
rounding error.

Legend:



Key Measure: Key measure that best
indicates whether City
activities are achieving the
desired results

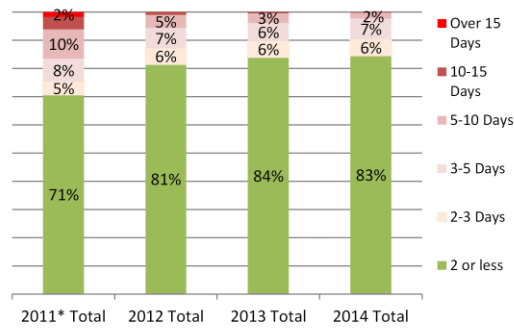
2014 was the fastest year on record for Budget and Finance requisition processing



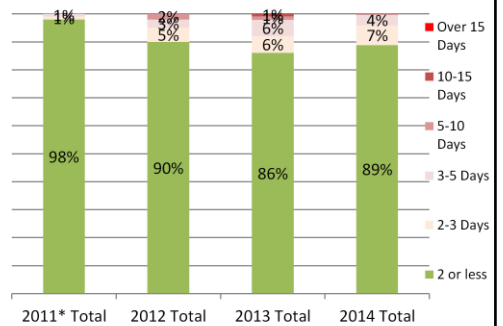
Average Days to Approve Requisitions By Budget Office

2011		2012		2013		2014		
Actual	Target Met?	Actual	Target Met?	Actual	Status	Actual	Annual Target	Status
2.4	Off Target	1.3	On Target	1.0	On Target	0.95	2	On Target

Budget Approval Distribution by Year



Finance Approval Distribution by Year



Requisition

Procurement / DBE

Contract Creation and Routing

Contract Processing and Approval

Payment

Responsible Organizations:
Bureau of Purchasing

Data Source:
BuySpeed

Related Strategy:
Manage vendor relationships and provide oversight of City contracts

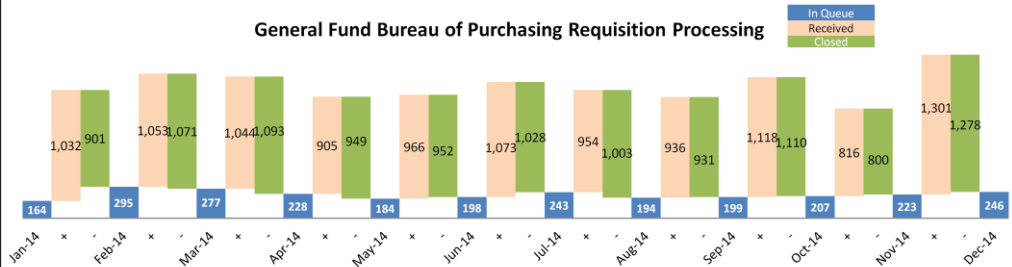
Definition:

Purchase Order (PO): A written authority issued by the City to a vendor indicating the agreed price and quantities for goods and services.

Requisition: A document generated by a department/agency to notify the Purchasing Bureau of the goods or services it wants to order.

The Bureau of Purchasing's end-of-year queue was at 246. 88% of requisitions were converted to purchase orders within four business days in 2014.

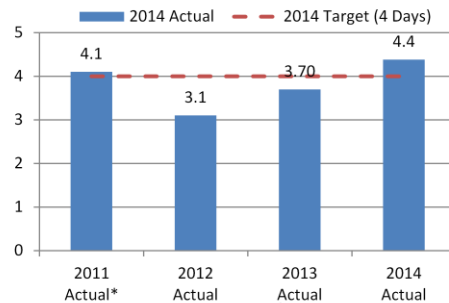
General Fund Bureau of Purchasing Requisition Processing



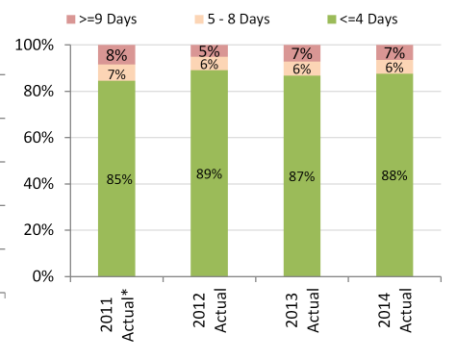
Average Business Days to Process Requisitions – Purchasing Bureau

2011		2012		2013		2014		
Actual	Target Met?	Actual	Target Met?	Actual	Status	Actual	Annual Target	Status
4.1	-	3.1	-	3.7	-	4.4	4	⚠️

Average Number of Business Days to Process Requisitions



Distribution of Time to Process Requisitions



ReqtoCheckSTAT January 29, 2015 8

Reqs Waiting for Support

Status	Count
Law	10
NORDC	9
Police	7
Homeland Security	4
City Council	4
Capital Projects	4
DPW	3
Police Secondary Employment	2
Parks and Parkways	2
CAO	2
Aviation	2
Treasury	1
Revenue	1
OCD	1
NOFD	1
Mosquito Control	1
Health	1
Criminal Court	1
Grand Total	56

Responsible Organization:
Bureau of Purchasing

Data Source:
BuySpeed; Bureau of Purchasing

Related Strategy:
Manage vendor relationships and provide oversight of City contracts

Definition:
RFP (Request for Proposal): The document used to solicit proposals for professional services, in which price - as well as factors such as past experience and technical expertise are used to determine the awarded contract.

Note:
Closed RFP's in top chart includes 19 cancellations.

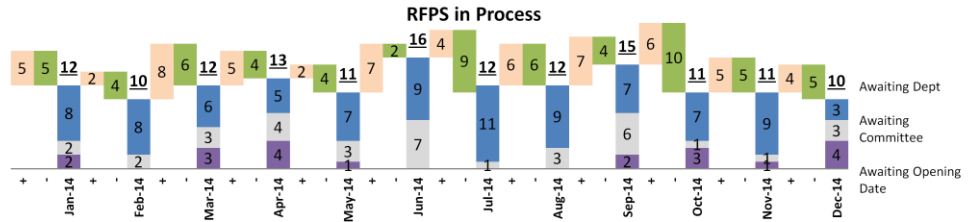
ICMA Benchmarks: International City/County Management Association 2013 Center for Performance Measurement participants with a population of 100,000+, a significant daily influx of nonresidents, 100+ square miles of land, and a median household income <\$55,000: Austin, TX; Dallas, TX; Phoenix, AZ (residential only); San Antonio, TX; Miami-Dade, FL; Milwaukee, WI; Oklahoma City, OK; Portland, OR; Kansas City, MO; and Savannah, GA.

Legend:



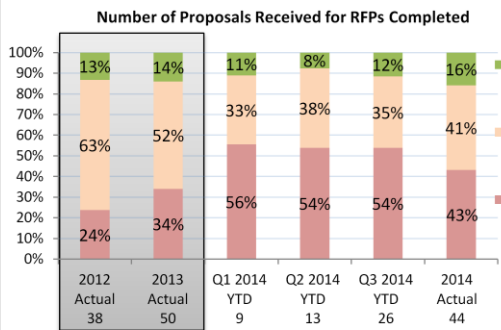
Key measure that best indicates whether City activities are achieving the desired results

10 RFPs were in process at the end of 2014. 57% of RFPs received 3 or more proposals in 2014.

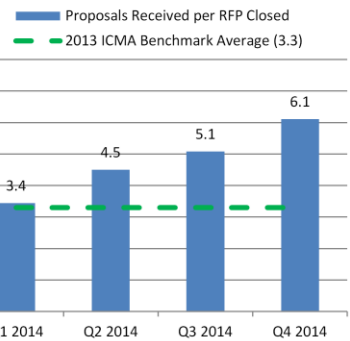


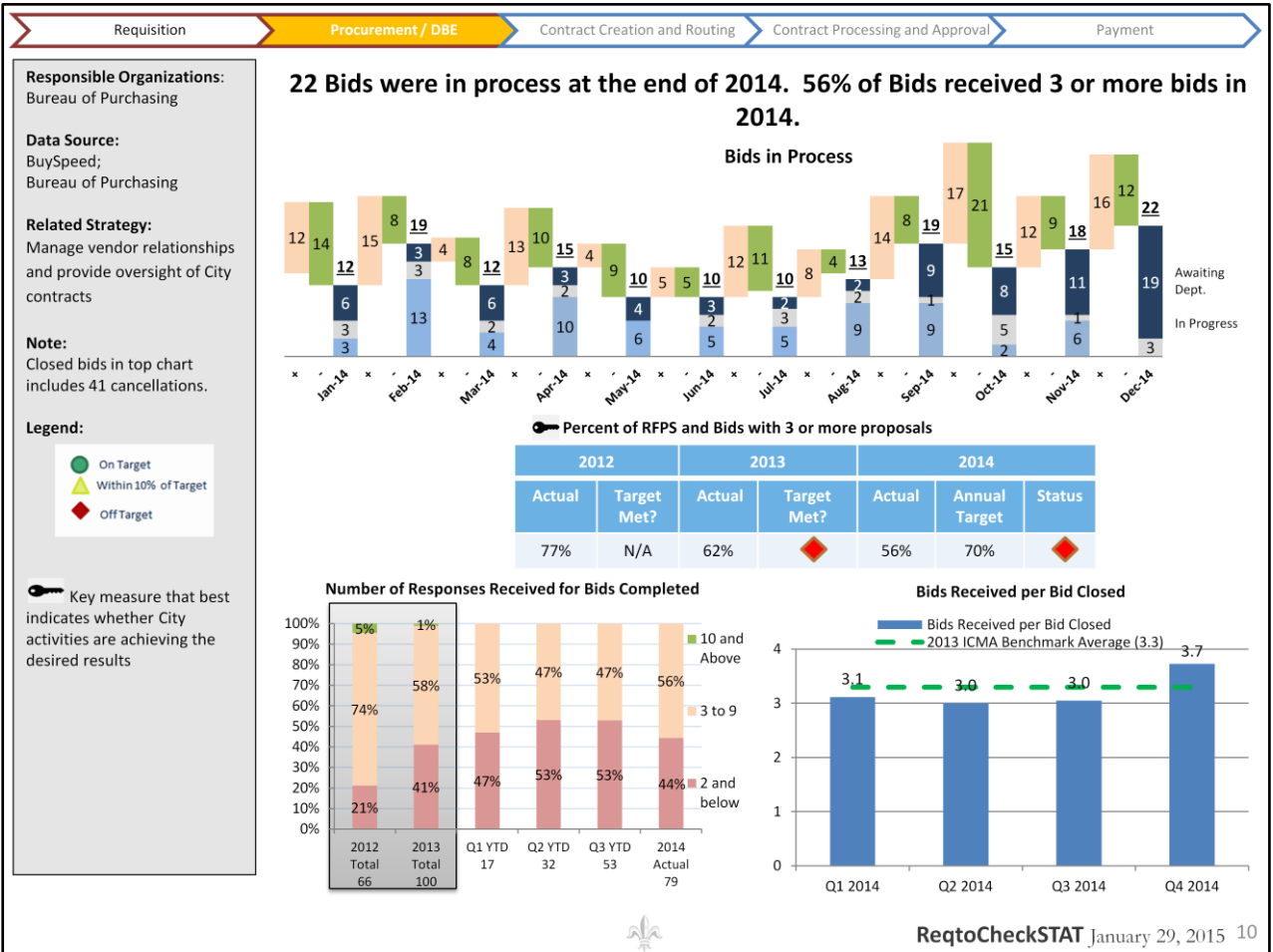
Percent of RFPs and Bids with 3 or more proposals

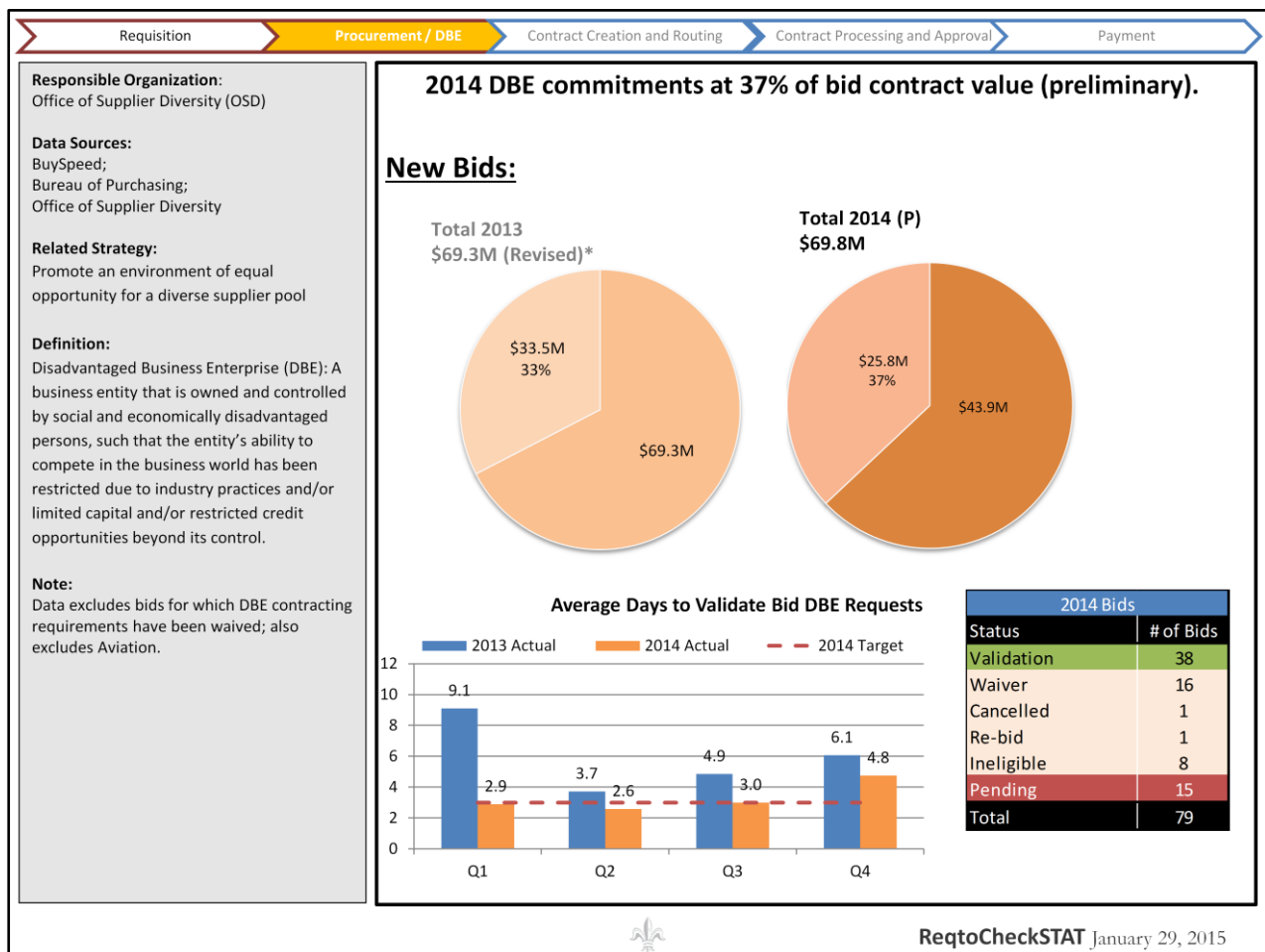
2012		2013		2014		
Actual	Target Met?	Actual	Annual Target	Actual	Annual Target	Status
77%	-	62%	Off Target	56%	70%	Off Target



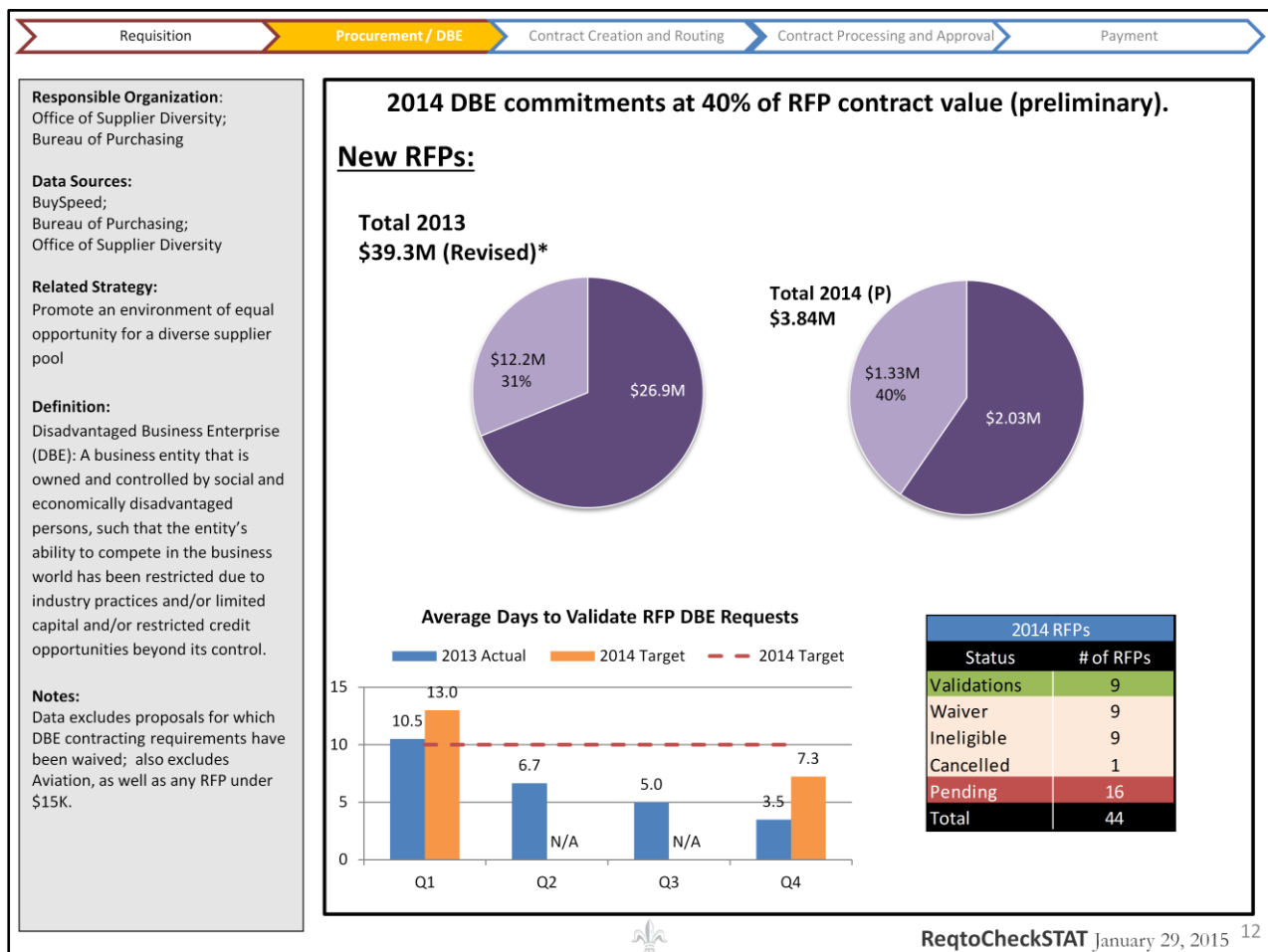
Proposals Received per RFP Closed







DBE values for 2013 were revised in Q4 2014 to reflect bids and RFPs that were cancelled or re-bid before a contract could be executed.



DBE values for 2013 were revised in Q4 2014 to reflect bids and RFPs that were cancelled or re-bid before a contract could be executed.

Requisition

Procurement /
DBE

Contract Creation
and Routing

Contract
Processing and
Approval

Payment

Contract Package Routing



Responsible Organizations:
Chief Administrative Office (CAO);
Civil Service;
Finance Department;
Office of Supplier Diversity;
Bureau of Purchasing

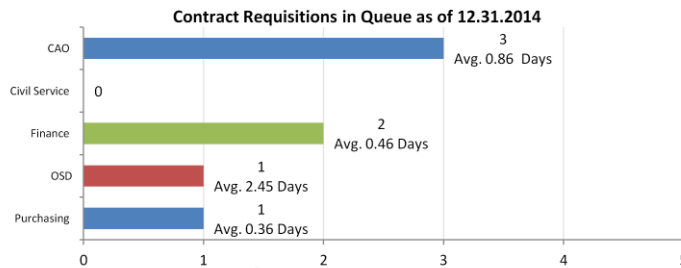
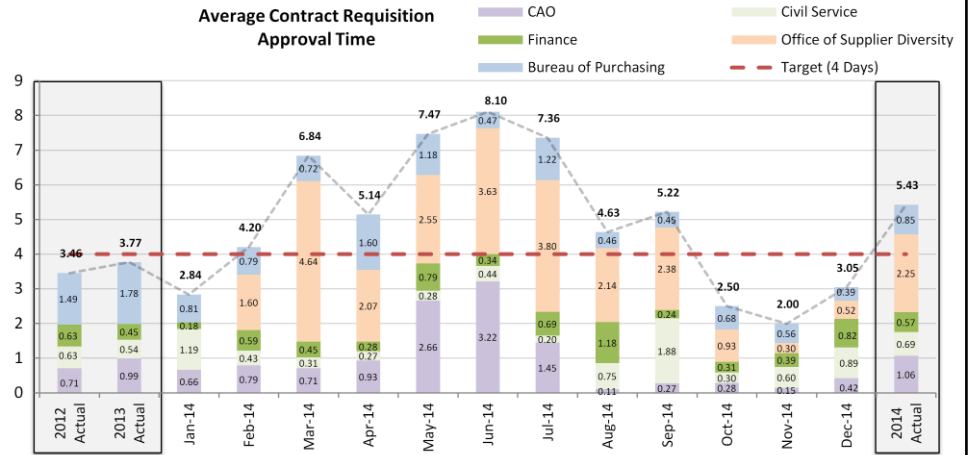
Data Source:
Electronic Contract Management
System (ECMS)

Related Strategy:
Manage vendor relationships and
provide oversight of City contracts

Definition:
Contract: Agreement between
two parties with legal and moral
binding, usually exchanging goods
or services for money or other
considerations.

Note:
2011 information only available
from May to December.

Overall, 2014 contract requisition approval was slower, due to the insertion of an extra approver in late January. Despite this fact, approval times in Q4 2014 were the fastest since 2011.



Requisition

Procurement /
DBEContract Creation
and RoutingContract
Processing and
Approval

Payment

Contract Approval Process

Action Items *

Responsible Parties	Action Item	Status
M. Kleinpeter; J. Meyer; N. Foster	Approval of standard terms and conditions for purchase orders	Purchasing and Law drafted a list of standard terms and conditions (TCs). Those TCs would then be attached to all purchase order issued when a contract is not required. This is currently waiting approval with CFO.
J. Meyer; V. Spencer; J. Husserl	Determine method a method for expedited approval process for "time only" amendments.	A plan was initially developed in 2013 to undertake this change. Law, OPA, and Finance will revisit the plan.
M. Kleinpeter; J. Meyer;	Revise CAO PM 24 on movables and non-professional services	Purchasing and Law have met to revise CAO PM 24. One more item (partial adoption of title 39) needs to be discussed before revisions are finalized.
M. Kleinpeter; J. Meyer; V. Smith; M. Jernigan	Revise CAO PM 113 on procurement of public works	Purchasing, Capital Projects, Public Works, and Law met in October 2014 to discuss changes to CAO PM 113. Law is working on first draft of a revised version. All parties will meet in February to move revised draft forward.
J. Meyer	List of contracts waiting for vendor signature	In concert with OPA, Law agreed to send weekly emails to requestors with contracts waiting for vendor signature over 14 days.
J. Meyer; V. Spencer	Determine plan for consistently notifying departments of contracts likely nearing expiration	



Responsible Organizations:
 Law Department;
 Chief Administrative Office;
 Department/agency requesting contract;
 Executive Counsel;
 Mayor's Office;
 City Council*;
 Property Management*;
 Finance*;

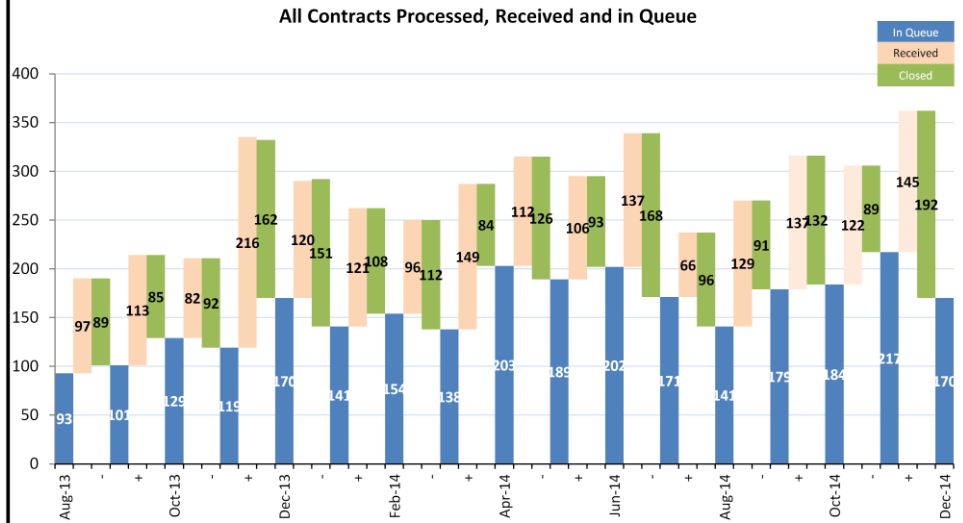
Data Source:
 Electronic Contract Management System (ECMS)

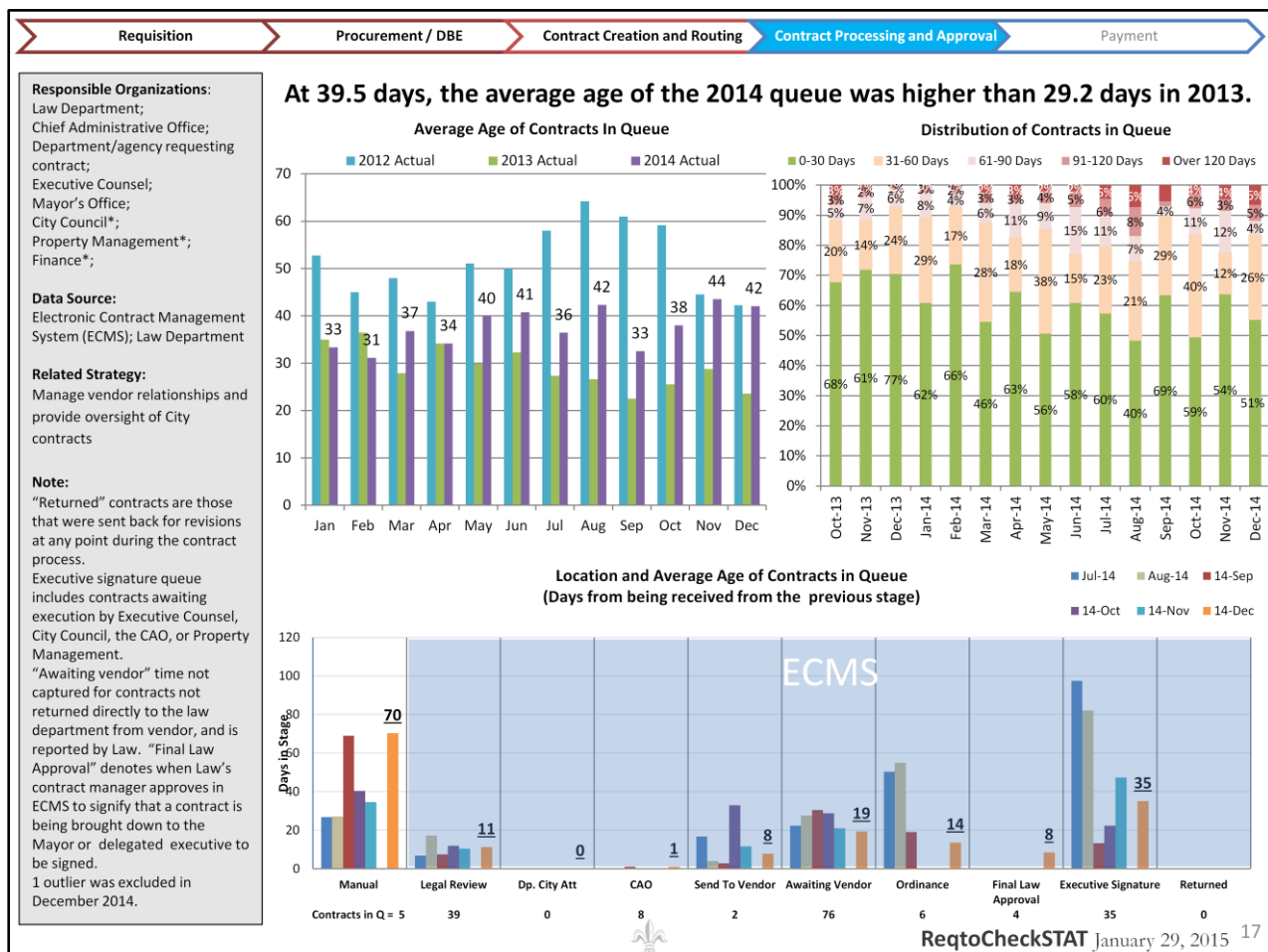
Related Strategy:
 Manage vendor relationships and provide oversight of City contracts

Note:
 A small number of contracts are executed by City Council, and some are delegated by the Mayor to be signed by the CFO or by the Director of Property Management.

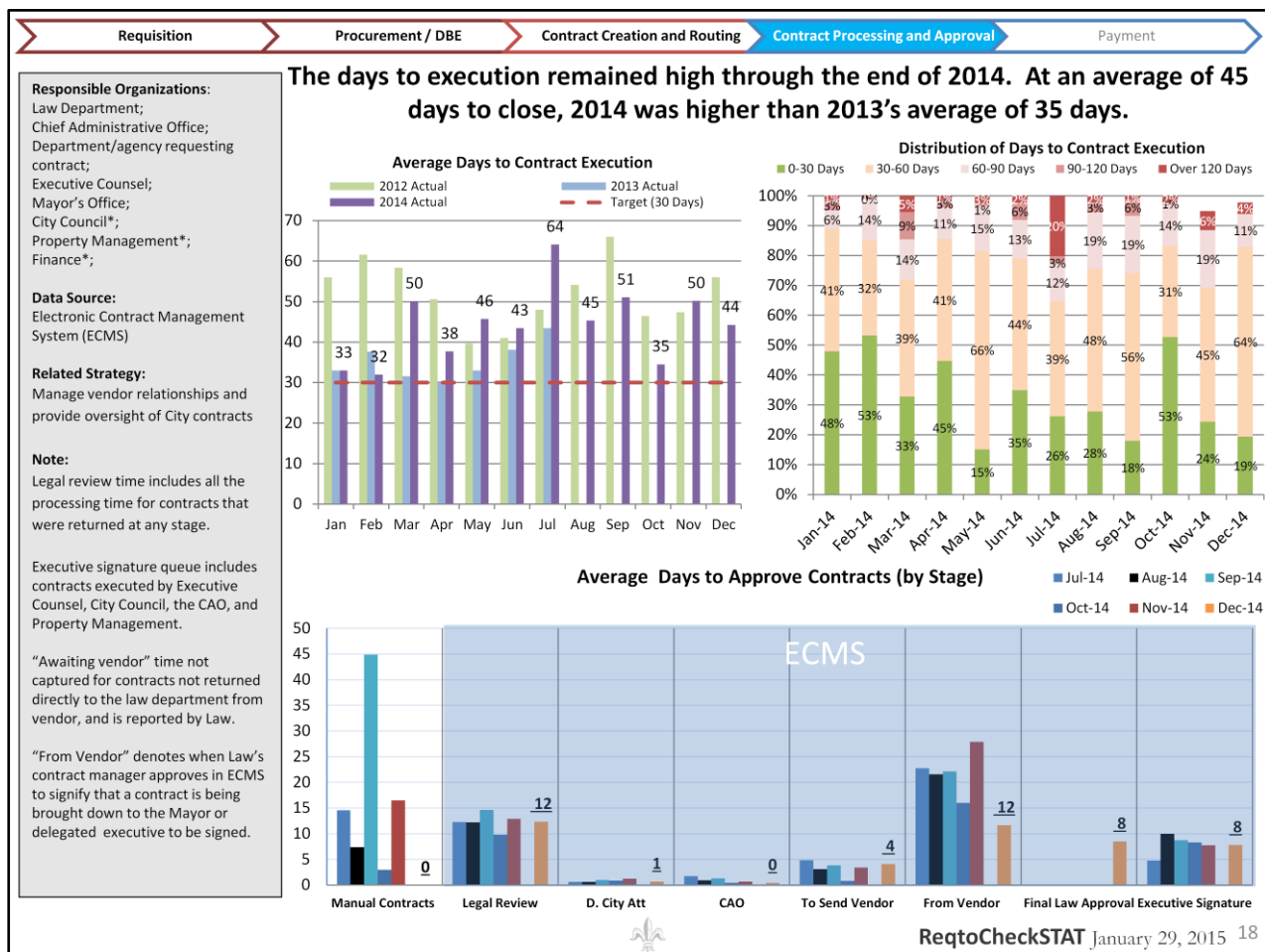
Closed contracts denote any contract that has been signed or cancelled during the month.

The number of contracts in queue at the end of 2014 was at 170 after a record closing a record high 192 contracts in December 2014.





Law Department noted that 2014's lagging processing times in comparison to 2013 are largely due to an increase in aviation contracts, as well as contracts requiring ordinances in 2014.



Law and OPA will consider revising the City's target days to execute to a higher number.

Responsible Organizations:
Law Department;
Department/agency requesting contract

Data Source:
Electronic Contract Management System (ECMS)

Related Strategy:
Manage vendor relationships and provide oversight of City contracts

Note:
Per policy memorandum 122R, each department/agency is responsible for reaching out to the vendor to obtain their signature after the law department sends the initial notification.

The number of contracts awaiting vendor signature was at 75 at the end of 2014.

Contracts Awaiting Vendor Signature

Department	# of Contracts	Average Days Awaiting Vendor
POLICE DEPARTMENT	1	47
BRAC	1	36
MOSQUITO CONTROL BOARD	2	35
AVIATION	15	34
HOMELAND SECURITY	3	30
PARKS & PARKWAYS	1	23
FINANCE	1	23
MAYOR	13	22
PROPERTY MANAGEMENT	4	20
NORDC	3	12
CAPITAL PROJECT	5	12
HEALTH DEPARTMENT	5	11
Homeland Security Grant	4	10
FIRE DEPARTMENT	1	9
ITI	1	9
PUBLIC WORKS	11	8
PUBLIC LIBRARY	1	7
LAW	1	3
SANITATION DEPARTMENT	1	0
CIVIL SERVICE	1	0
Total	75	19.3



The Check: Accounts Payable

- General Fund Payments
 - Processing by Accounts Payable
 - Payment from Invoice Date
- Capital and Grants Expenditure Payments
 - Processing by Accounts Payable
 - Payment from Invoice Date
 - Detail Review (invoices in the pipeline)
 - CDBG Invoice Payments
 - DPW Payments
 - DPW Revolver Payments
 - Capital Projects Payments
 - Capital Projects Revolver Payments

Action Items *



Slides reviewing the departmental-level details are excluded from this report while OPA and Finance work to develop a better method of payment data collection.

Responsible Organizations:
Every department making general fund payments during a given month

Data Source:
Accounts Payable records; Great Plains

Related Strategy:
Manage vendor relationships and provide oversight of City contracts

Note:
2011 information only available from May to December.

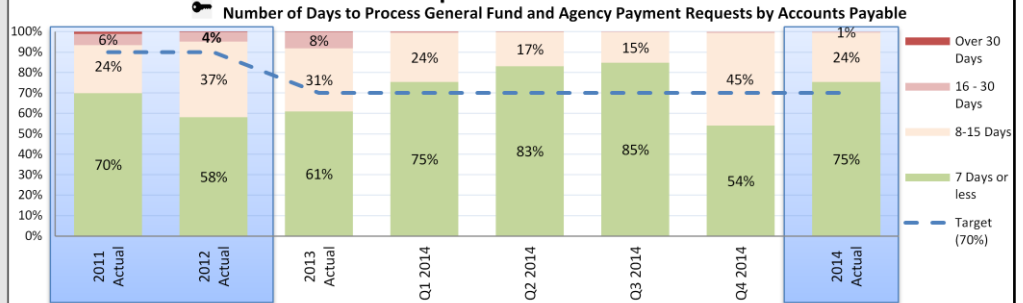
Q4 Great Plains sample has margin of error of +/- 4.25%, with a sample size of 489.

Legend:

- On Target
- Within 10% of Target
- Off Target

Key measure that best indicates whether City activities are achieving the desired results

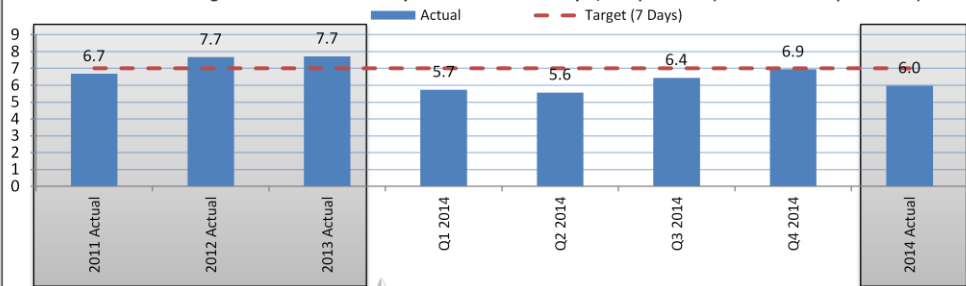
Accounts Payable achieved its target of business days to process general fund requisitions in 2014



Percent of General Fund payments processed within 7 business days of being received by Accounts Payable

2011		2012		2013		2014		
Actual	Target Met?	Actual	Target Met?	Actual	Target Met?	Actual	Annual Target	Status
70%	Off Target	58%	Off Target	61%	Off Target	75%	70%	On Target

Average Number of Business Days to Process Invoices by A/P Department (General Fund Expenditures)



Responsible Organizations:
Every department making general fund payments during a given month

Data Source:
Accounts Payable records;
Great Plains

Related Strategy:
Manage vendor relationships and provide oversight of City contracts

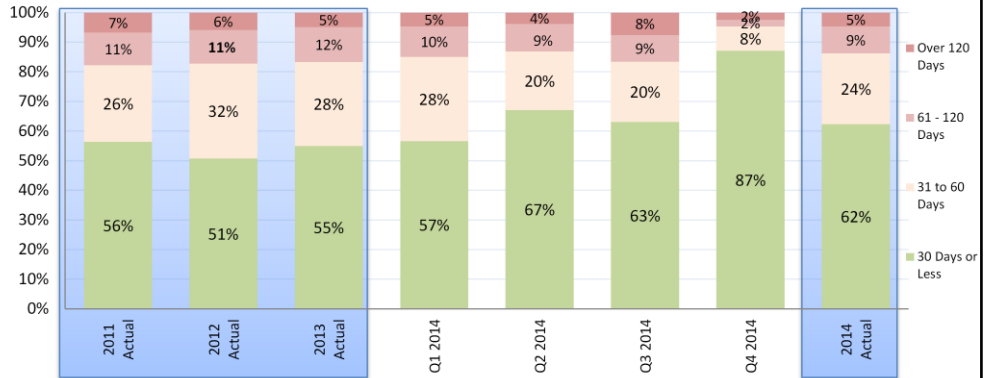
Note:
2011 information only available from May to December.

Q4 Great Plains sample has margin of error of +/- 4.25%, with a sample size of 489.

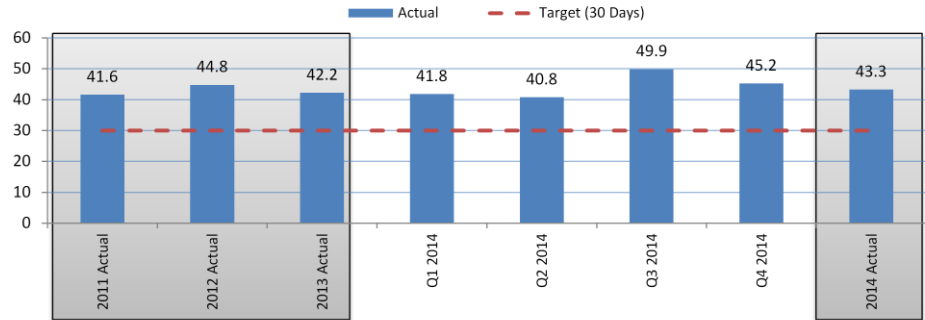
Chart totals subject to rounding error.

The Percentage of General Fund (and Agency) Payments in 30 Days or Less was 62%, more timely than any other year on record.

Number of Days to Pay General Fund and Agency Invoices from Invoice Date



Average Number of Days to Pay Invoices from Invoice Date (General Fund Expenditures)



Responsible Organizations:
Every department making capital or grant payments during a given month

Data Source:
Accounts Payable records;
AFIN

Related Strategy:
Manage vendor relationships and provide oversight of City contracts

Note:
2011 information only available since May 2011.

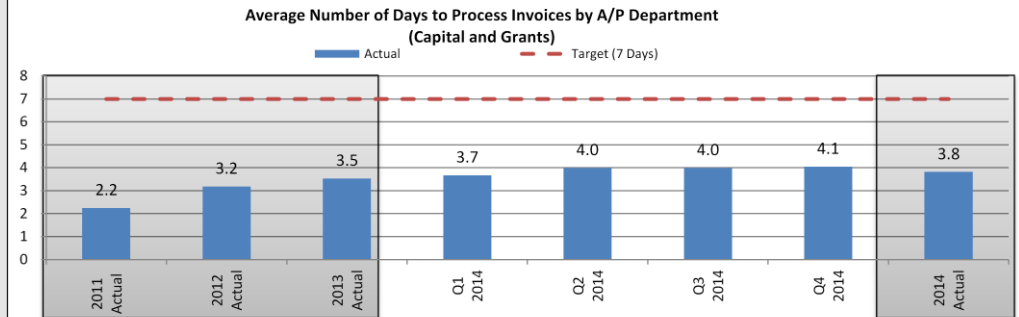
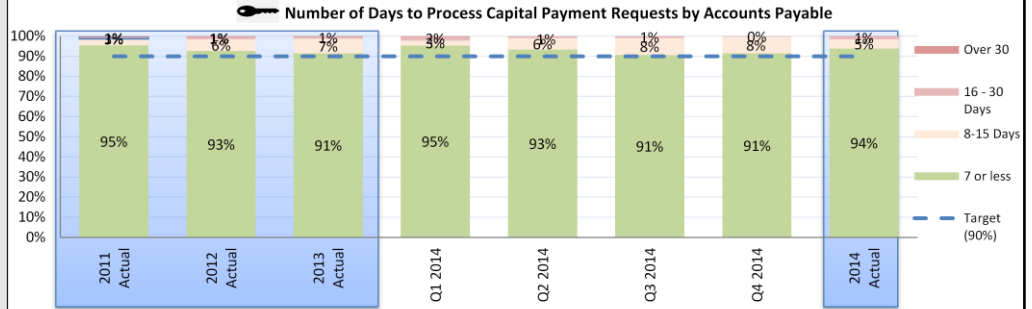
Q4 AFIN sample has margin of error of +/- 5.5%, with a sample size of 256.

Legend:

- On Target
- ▲ Within 10% of Target
- ◆ Off Target

Key measure that best indicates whether City activities are achieving the desired results

Accounts Payable met its annual target of business days to process capital and grant payments in 2014.



Percent of Capital/Grants Fund payments processed within 7 business days of being received by Accounts Payable

2012		2013		2014		
Actual	Target Met?	Actual	Target Met?	Actual	Annual Target	Status
93%	●	95%	●	94%	90%	●

Responsible Organizations:
Every department making capital or grant payments during a given month

Data Source:
Accounts Payable records;
AFIN

Related Strategy:
Manage vendor relationships and provide oversight of City contracts

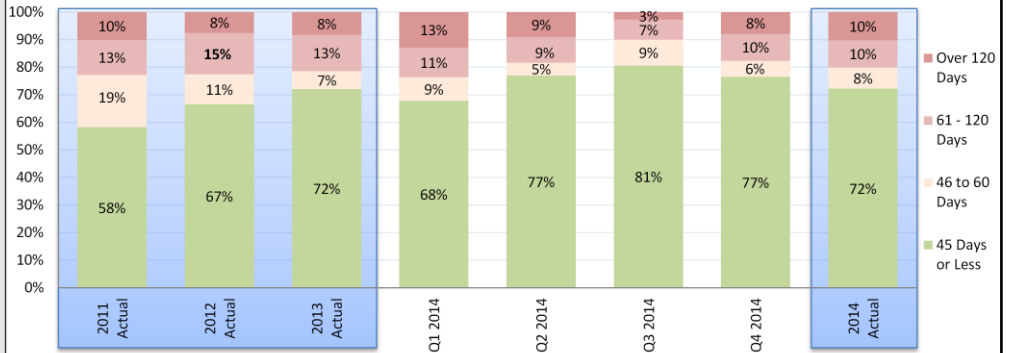
Note:
2011 information only available since May 2011.

Q4 AFIN sample has margin of error of +/- 5.5%, with a sample size of 256.

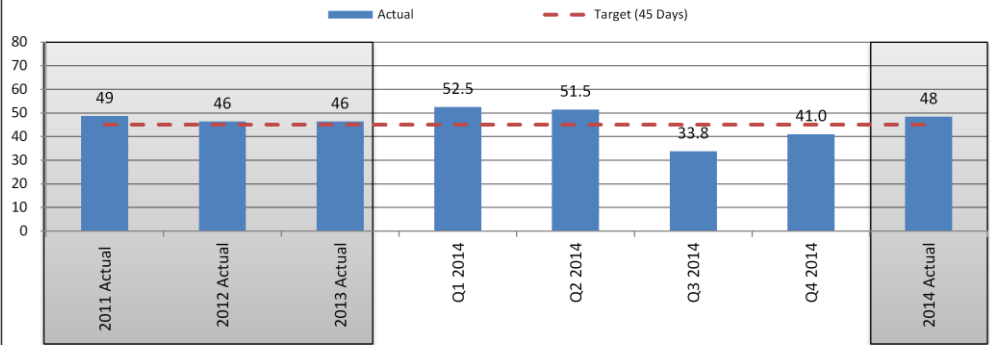
Chart totals subject to rounding error.

The Percentage of Capital and Grant Payments Made in 45 Days or Less from Invoice Date was 72% in 2014, tied for the most timely year on record.

Number of Days to Pay Capital and Grants invoices from Invoice Date



Average Number of Days to Pay Invoices From Invoice Date (Capital and Grants)



Responsible Organizations:
Office of Community
Development

Data Source:
Office of Community
Development

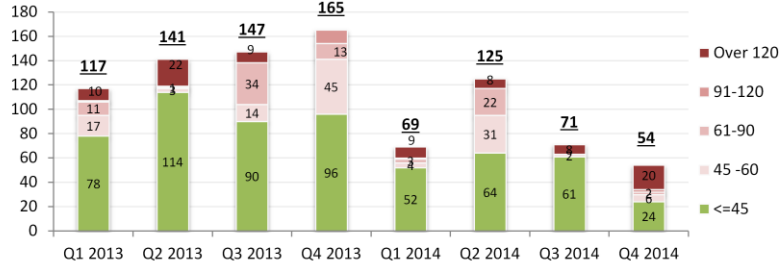
Related Strategy:
Manage vendor relationships
and provide oversight of City
contracts

The majority of invoices in process with the Office of Community Development had been in process less than 60 days.

OCD Invoices in the Pipeline

Row Labels	Age					Total
	<=45	46-60	61-90	91-120	Over 120	
Normal Processing	24	6				30
Vendor Issues					14	14
Invoice issues			1			1
Contract issues				1	1	2
Other				1	1	2
Not processed timely			1		4	5
Grand Total	24	6	2	2	20	54

OCD: Aging of Invoices in the Pipeline



Responsible Organizations:
Capital Projects

Data Source:
Capital Projects

Related Strategy:
Manage vendor relationships
and provide oversight of City
contracts

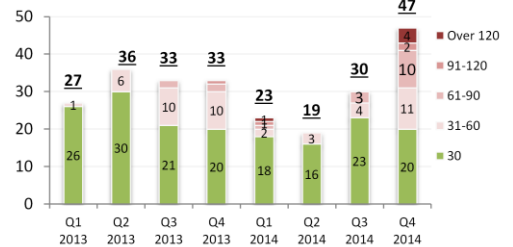
The majority of Capital Projects invoices were in process for less than 60 days.

Capital Projects Invoices in the Pipeline

Revolver

Status	Age					Total
	<=30	31-60	61-90	91-120	Over 120	
Normal Processing	20	11				31
Compliance issues				1		1
Contract/amendment					2	2
Dispute with vendor			9		1	10
Funding				1	1	2
Not processed timely			1			1
Grand Total	20	11	10	2	4	47

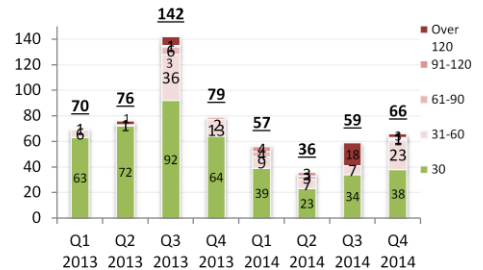
Capital Revolver: Aging of Invoices in the Pipeline



City

Row Labels	Age					Total
	<=30	31-60	61-90	91-120	Over 120	
Normal Processing	38	23				61
Contract/amendment			1			1
LED				1	3	4
Grand Total	38	23	1	1	3	66

Capital City: Aging of Invoices in the Pipeline



Responsible Organizations:
Department of Public Works

Data Source:
Department of Public Works

Related Strategy:
Manage vendor relationships
and provide oversight of City
contracts

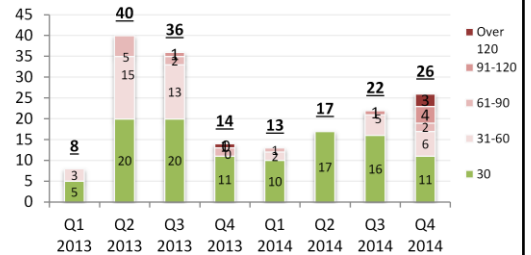
Most of Public Works' invoices were in process for less than 60 days.

DPW Invoices in the Pipeline

Revolver

	Age					
Row Labels	<=30	31-60	61-90	91-120	Over 120	Total
Normal Processing	11	6				17
State					1	1
Not processed timely			2	4	2	8
Grand Total	11	6	2	4	3	26

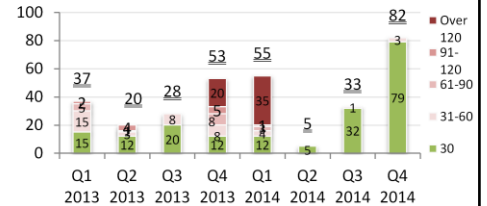
DPW Revolver: Aging of Invoices in the Pipeline



City

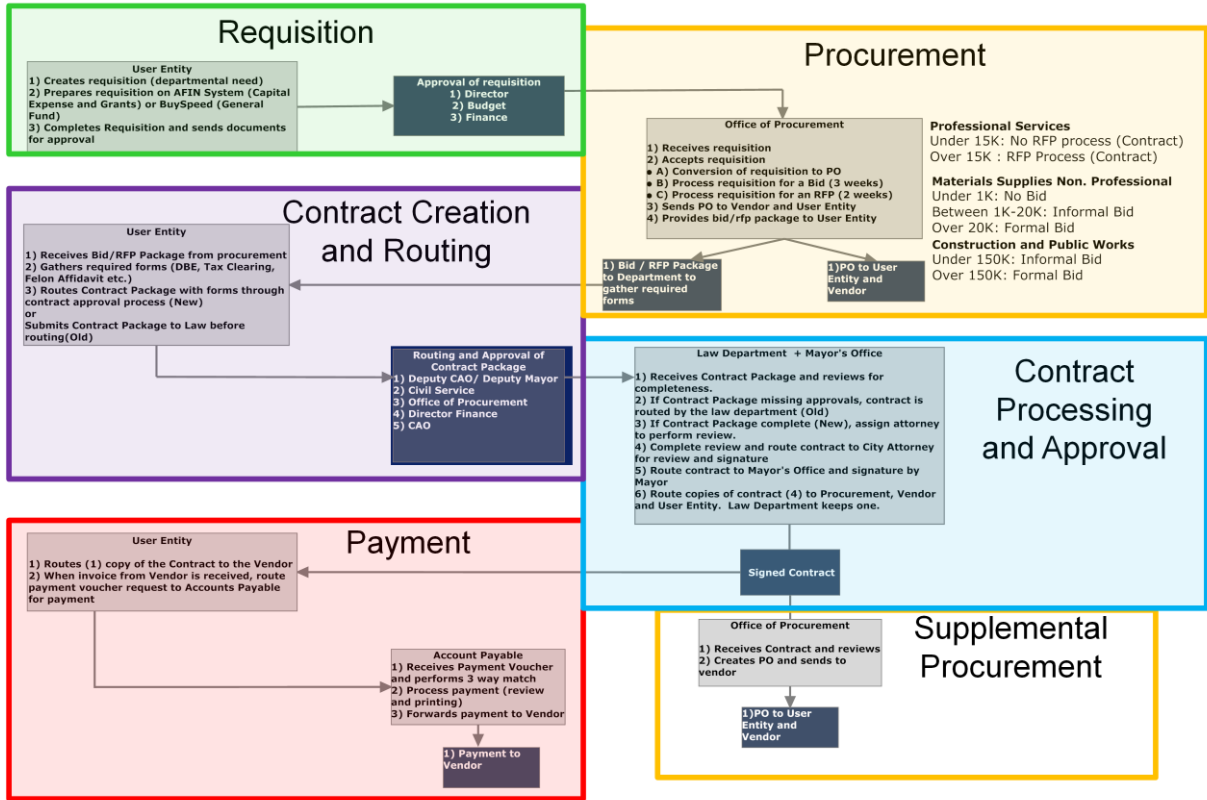
Row Labels	Age				Total
	<=30	31-60	61-90	Over 120	
Normal Processing	79	3			82
Grand Total	79	3	0	0	82

DPW City: Aging of Invoices in the Pipeline



Procurement Process Map/City of New Orleans

* Note map is not all inclusive. It provides guidance of the general process



Evaluation Form

Are you a city employee or a member of the public?

On a scale 1-5, how useful was this meeting to you (1= least useful and 5= most useful)?

What's working?

What's not working?

